

Loan No HUN004140

**ADJUSTABLE RATE RIDER
(LIBOR 6-Month Index - Rate Caps)**

THIS ADJUSTABLE RATE RIDER is made this 22nd day of June, 2005 , and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to BNC MORTGAGE, INC., A DELAWARE CORPORATION (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

32 BAINBRIDGE ST, ROOSEVELT, NY 11575
[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows

INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 6.700 % The Note provides for changes in the interest rate and the monthly payments, as follows

"4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of July, 2007 , and on that day every 6th month thereafter Each date on which my interest rate could change is called a "Change Date "

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index The "Index" is the average of interbank offered rates for 6-month U S dollar-denominated deposits in the London market based on quotations of major banks, as published in the "Money Rates" section of The Wall Street Journal The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index "

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information The Note Holder will give me notice of this choice

ADJUSTABLE RATE RIDER-LIBOR 6 MONTH INDEX-Single Family-

Rev 10/95

Page 1 of 2

Borrower Initials

D S

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Six And 150/1000 percentage points (6.150 %) to the Current Index The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0 125 %) Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments The result of this calculation will be the new amount of my monthly payment

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 8.700 % or less than 6.700 % Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than ONE AND 00/100 percentage point(s) (1.00 %) from the rate of interest I have been paying for the preceding 6 months My interest rate will never be greater than 13.700 % or less than 6.700 %

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice "

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 and 2 of this Adjustable Rate Rider

Digna Sanchez (Seal)
DIGNA SANCHEZ - Borrower

____ (Seal)
- Borrower

____ (Seal)
- Borrower

____ (Seal)
- Borrower

____ (Seal)
- Borrower

____ (Seal)
- Borrower

Borrower Initials

D S

Agent for

Fidelity National Title Insurance Company

SCHEDULE A DESCRIPTION

All that certain plot, piece or parcel of land, situate, lying and being at Roosevelt (Unincorporated Area) in the town of Hempstead, County of Nassau and State of New York, and more particularly known and designated as Lot nos. 731 and 733 on a certain map entitled, "Map of Freeport Heights, comprising 1540 lots at Freeport, Town of Hempstead, Nassau County, New York, owned by Long Island Realty Company, New York City, surveyed February 1906, Robert Kurz, C.E. and S. Jamaica, New York" and filed in the Nassau County Clerk's Office on February 23, 1906 as Map No. 51, New No. 374, bounded described according to said map as follows:

BEGINNING at a point on the easterly side of Bainbridge Street distant 140 feet southerly from the corner formed by the intersection of the easterly side of Bainbridge Street and the southerly side of Frederick Avenue;

RUNNING THENCE easterly at right angles to Bainbridge Street, 100 feet;

RUNNING THENCE southerly parallel with Bainbridge Street, 60 feet;

RUNNING THENCE westerly at right angles to Bainbridge Street, 100 feet to the easterly side of Bainbridge Street;

RUNNING THENCE northerly along the easterly side of Bainbridge Street, 60 feet to the point or place of BEGINNING.

Said premises being more commonly known as 32 Bainbridge Street, Roosevelt, NY

For Conveyancing Only

Together with all rights title and interest of, in, and to any streets and roads abutting the above-described premises.



Title Number: NA 05 2292 N